



Miami-Dade County Board of County Commissioners

Office of the Commission Auditor

Legislative Analysis

Infrastructure and Land Use Committee

Tuesday, February 8, 2005

9:30 AM

Commission Chamber

Charles Anderson, CPA
Commission Auditor

111 NW First Street, Suite 250
Miami, Florida 33128
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LEGISLATIVE ANALYSIS

RESOLUTION APPROVING MIAMI-DADE HOUSING AGENCY'S (MDHA) ADMISSION AND CONTINUED OCCUPANCY POLICY (ACOP) AND AUTHORIZES THE MDHA DIRECTOR TO APPROVE FUTURE AMENDMENTS TO ACOP AS NECESSITATED BY REGULATORY AMENDMENTS OR COURT RULINGS

Miami-Dade Housing Agency

I. SUMMARY

This resolution approves revisions to the Miami-Dade Housing Agency's Admission and Continued Occupancy Policy (ACOP) for public housing and Section 8 new construction developments. It also authorizes the director to approve future changes to the ACOP necessitated by regulatory amendments and court orders.

II. PRESENT SITUATION

On July 13, 1999, pursuant to federal regulations set by the U.S. Department of Housing and Urban Development, the Board of County Commissioners approved the ACOP to govern the MDHA tenant selection and assignment process.

During a compliance review of MDHA, HUD officials determined that the existing ACOP was deficient and failed to comply with current federal standards.

III. POLICY CHANGE AND IMPLICATION

Proposed changes to the ACOP include:

- Names an additional Assisted Living Facility (ALF), Ward Towers, 2200 NW 54th Street.
- Establishes that elderly persons currently residing in public housing will be given first preference for admission to an ALF; those on the waiting list will be served next, then non-eligible elderly residents and applicants will be considered.
- Sets specific standards for denial of admission and termination of assistance of applicants and residents with criminal backgrounds in keeping with federal regulations.
- Revises MDHA transfer policy to include transfers related to reasonable accommodation requests from disabled residents and those seeking a transfer to an ALF.
- Brings MDHA in line with requirements of the Quality Housing and Work Responsibility Act (QWHRA).

IV. ECONOMIC IMPACT

This item has no economic impact.

LEGISLATIVE ANALYSIS

RESOLUTION APPROVING AND AUTHORIZING THE COUNTY MANAGER TO EXECUTE A VOLUNTARY COMPLIANCE (VCA) BETWEEN THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT AND MIAMI-DADE COUNTY ON BEHALF OF MIAMI-DADE HOUSING AGENCY TO RESOLVE OUTSTANDING AMERICANS WITH DISABILITIES ACT AND SECTION 504 OF THE REHABILITATION ACT DEFICIENCIES; AUTHORIZING THE COUNTY MANAGER TO ADVERTISE A REQUEST FOR PROPOSALS FOR ARCHITECTS, DESIGN FIRMS AND CONTRACTORS TO ACCOMPLISH GOALS OF THE VCA AND AUTHORIZING THE MIAMI-DADE BUILDING DEPARTMENT TO EXPEDITE PERMITS AND OTHER BUILDING REQUIREMENTS AND WAIVING THE SIXTY DAY RECONSIDERATION PERIOD.

Miami-Dade Housing Agency

I. SUMMARY

- Executes a Voluntary Compliance Agreement (VCA) between Miami-Dade County and the United States Department of Housing and Urban Development (USHUD) to bring MDHA in full compliance with the Americans with Disabilities Act (ADA) and Section 504 of the Rehabilitation Act.
- Authorizes the County Manager to advertise Request for Proposals for a surveyor, architect/design firms and contractors to do the work required by the VCA.
- Authorizes the Miami-Dade Building Department to expedite permits and other building requirements and waive the 60-day reconsideration period.

II. PRESENT SITUATION

- A 2004 USHUD compliance review of MDHA uncovered deficiencies related to the physical accessibility of common areas and individual housing units, as well as deficiencies in MDHA's current policies and procedures.
- On July 8, 2004, USHUD issued to MDHA a preliminary Letter of Findings of Non-Compliance addressing the ADA and Section 504 deficiencies.
- During the week of November 15-19, 2004, teams from USHUD and Miami-Dade County, including the County Attorney's office, met to resolve the stated deficiencies and negotiated the terms of the VCA, in lieu of a federal lawsuit being filed against the County by the United States Department of Justice.

III. POLICY CHANGE AND IMPLICATION

According to the VCA:

- MDHA must select and hire a VCA Administrator within 120 days of the execution of the VCA who will report to the MDHA Director to coordinate all compliance activities of the VCA.
- The County is required to hire a surveyor, architect/design firm and contractors to perform the work specified under the VCA.
- The County/MDHA shall construct or convert a minimum of 5 percent, or 478 of its 9,543 total housing units, to comply with Section 504, Title II of the ADA, the Uniform Federal Accessibility Standards (UFAS), the Fair Housing Act and the Architecture Barriers Act.
- The County/MDHA shall ensure that non-housing programs are accessible to persons with disabilities, including common areas, management and regional offices, laundry rooms, meeting rooms, and day care centers.
- The County/MDHA shall complete accessibility modifications to the MDHA Central Office, Private Rental Housing Division offices and administrative offices housing MDHA's ADA Coordinator.
- The County/MDHA must met all the terms and conditions of the VCA within six years from the date it is executed.

IV. ECONOMIC IMPACT

The cost of the changes MDHA's facilities cannot be determined until the completion of the survey. It is expected that Capital Fund Program (CFP) funds will cover the costs associated with complying with the VCA. If CFP funds are not available, then MDHA will request USHUD to renegotiate the terms of the VCA relating to funding.

V. COMMENTS AND QUESTIONS

If this item fails to pass, USHUD via the Department of Justice will file legal proceeding against Miami-Dade County.

LEGISLATIVE ANALYSIS

RESOLUTION RELATING TO EDUCATIONAL FACILITIES IMPACT FEES

Commissioner Bruno A. Barreiro

I. SUMMARY

This resolution directs the County Manager to take the necessary steps necessary to implement Florida Statute section 1002.33(18)(f), which provides for designation of educational facilities impact fees generated by new development to be utilized for the creation of Public Charter Schools to serve the respective development.

II. PRESENT SITUATION

- Miami-Dade County has impact fees collected from real estate developers to alleviate and offset the monetary impact of new expenses that would be placed solely on the constituents of the County.
- School Impact fees are one-time payments from real estate developers to school districts used to build school improvements needed to accommodate new real estate development.
(Agenda Item 6(M)(1)(A)- Resolution Approving First Amended Interlocal Agreement with School Board Regarding Impact Fees—July 25, 2000)
- In Miami-Dade County, an Impact Fee Rate Schedule (Attachment 1) determines the fee developers must pay. Impact fees for schools have a flat rate developers must pay per unit based upon the type of residential community being developed.

III. POLICY CHANGE AND IMPLICATION

- The County Manager is directed to take the necessary steps in implementing Florida Statute section 1002.33(18)(f), which will allow the funding of charter schools for new developments through the assistance of impact fees. (In Florida, all charter schools are public schools.)
- In theory, charter schools are created to expand the capacity of the public school system by providing innovative learning methods as well as opportunities to mitigate the educational impact of new developments.
- Allowing impact fees to go toward the creation of new charter schools will improve the timely construction of educational facilities needed to adjust to population expectations of new developments.

IV. ECONOMIC IMPACT

- While this proposal addresses the positive possibility of supporting newly developed charter schools there may be a negative impact to funding schools that are already in existence.
- It is premature to approximate the fiscal impact this will pose for the County or the School system because the County Manager has not established the necessary steps to implement such legislation.

V. COMMENTS AND QUESTIONS

1. How does the Miami-Dade Public Schools system feel about this proposal?
2. How will the current interlocal agreement between Miami-Dade County and Miami-Dade County Public Schools be affected by this proposal?
3. What type of fiscal impact will this have on the existing or non-existing schools in the Miami-Dade Public Schools system?

Attachment #1

MIAMI-DADE COUNTY IMPACT FEE RATE SCHEDULE - Effective October 1, 1995

LAND USE	ROAD W 77 AVE	ROAD E 77 AVE	FIRE	POLICE	SCHOOL	PARKS DIST 1 N SW 8 ST	PARKS DIST 2 Middle	PARKS DIST 3 S SW 184 ST	UNITS
Port and Terminal									sq. ft.
Truck Terminals	\$1.55	\$1.477	\$0.1664	\$0.147					
Industrial									sq. ft.
Industrial Park	\$1.096	\$1.044	\$0.1664	\$0.147					sq. ft.
Manufacturing	\$0.605	\$0.577	\$0.1664	\$0.147					sq. ft.
Warehousing	\$0.767	\$0.731	\$0.1664	\$0.147					sq. ft.
Mini-Warehouse	\$0.41	\$0.391	\$0.1664	\$0.147					
Residential									unit
Single Family Detached	\$1,307	\$1,242	\$176.73	\$101.29	\$612.00	\$1,453.40	\$1,222.28	\$842.80	
Total road, fire, police, park & school W. 77 Ave. E. 77 Ave.						\$3,650.42	\$3,419.30	\$3,039.82	
plus (max. 3,800 sq. ft. per unit)					\$0.918	\$3,585.42	\$3,354.30	\$2,974.82	sq. ft.
Apartment (Rentals)	\$983	\$936	\$187.39	\$101.29	\$612.00	\$741.75	\$725.63	\$540.73	unit
Total road, fire, police, park & school W. 77 Ave. E. 77 Ave.						\$2,625.43	\$2,609.31	\$2,424.41	
plus (max. 3,800 sq. ft. per unit)					\$0.918	\$2,578.43	\$2,562.31	\$2,377.41	unit
Condominium	\$921	\$877	\$187.39	\$101.29	\$612.00	\$741.75	\$725.63	\$540.73	unit
Total road, fire, police, park & school W. 77 Ave. E. 77 Ave.						\$2,563.43	\$2,547.31	\$2,362.41	
plus (max. 3,800 sq. ft. per unit)					\$0.918	\$2,519.43	\$2,503.31	\$2,318.41	sq. ft.
Townhouse	\$921	\$877	\$187.39	\$101.29	\$612.00	\$1,247.01	\$998.68	\$785.83	unit
Total road, fire, police, park & school W. 77 Ave. E. 77 Ave.						\$3,068.69	\$2,820.36	\$2,607.51	
plus (max. 3,800 sq. ft. per unit)					\$0.918	\$3,024.69	\$2,776.36	\$2,563.51	sq. ft.
Mobile Home	\$756	\$720	\$176.73	\$101.29	\$612.00	\$1,453.40	\$1,222.28	\$842.80	unit
Total road, fire, police, park & school W. 77 Ave. E. 77 Ave.						\$3,099.42	\$2,868.30	\$2,488.82	
plus (max. 3,800 sq. ft. per unit)					\$0.918	\$3,063.42	\$2,832.30	\$2,452.82	sq. ft.
Lodging									room/sq. ft.
Hotel	\$1,094	\$1,042	\$0.3848	\$0.147					room/sq. ft.
Motel	\$1,281	\$1,220	\$0.3848	\$0.147					
Recreational									berth/sq. ft.
Marina	\$465	\$443	\$0.2912	\$0.147					hole/sq. ft.
Golf Course	\$5,910	\$5,631	\$0.2912	\$0.147					Court/sq. ft.
Racquet Club	\$6,745	\$6,427	\$0.2912	\$0.147					
Institutional									St. Sta./sq. ft.
Elementary School	\$31	\$30	\$0.2912	\$0.147					St. Sta./sq. ft.
High School	\$127	\$121	\$0.2912	\$0.147					St. Sta./sq. ft.
Jr./Community College	\$209	\$199	\$0.2912	\$0.147					St. Sta./sq. ft.
University	\$373	\$355	\$0.2912	\$0.147					sq. ft.
Church/Synagogue	\$0.857	\$0.817	\$0.2912	\$0.147					sq. ft.
Day Care Center	\$1.138	\$1.085	\$0.2912	\$0.147					
Medical									sq. ft.
Hospital	\$1.543	\$1.470	\$0.3848	\$0.147					bed/sq. ft.
Nursing Home	\$239	\$228	\$0.3848	\$0.147					
Office									
General Office Building									sq. ft.
1 - 50,000	\$2.607	\$2.484	\$0.2392	\$0.147					sq. ft.
50,001 - 100,000	\$2.206	\$2.102	\$0.2392	\$0.147					sq. ft.
100,001 - 200,000	\$1.863	\$1.775	\$0.2392	\$0.147					sq. ft.
200,001 - 300,000	\$1.693	\$1.614	\$0.2392	\$0.147					sq. ft.
300,001 - 400,000	\$1.566	\$1.492	\$0.2392	\$0.147					sq. ft.
400,001 - 500,000	\$1.486	\$1.416	\$0.2392	\$0.147					sq. ft.
500,001 - 600,000	\$1.423	\$1.356	\$0.2392	\$0.147					sq. ft.
600,001 - 700,000	\$1.376	\$1.311	\$0.2392	\$0.147					sq. ft.
700,001 - more	\$1.33	\$1.268	\$0.2392	\$0.147					sq. ft.
Medical Office Building	\$3.142	\$2.994	\$0.2392	\$0.147					sq. ft.
Research Center	\$1.211	\$1.154	\$0.2392	\$0.147					sq. ft.
Business Park	\$2.259	\$2.153	\$0.2392	\$0.147					
Retail									sq. ft.
1 - 10,000	\$2.408	\$2.294	\$0.2912	\$0.147					sq. ft.
10,001 - 50,000	\$1.317	\$1.255	\$0.2912	\$0.147					sq. ft.
50,001 - 100,000	\$1.015	\$0.967	\$0.2912	\$0.147					sq. ft.
100,001 - 200,000	\$2.606	\$2.483	\$0.2912	\$0.147					sq. ft.
200,001 - 300,000	\$2.367	\$2.256	\$0.2912	\$0.147					sq. ft.
300,001 - 400,000	\$3.766	\$3.589	\$0.2912	\$0.147					sq. ft.
400,001 - 500,000	\$3.585	\$3.417	\$0.2912	\$0.147					sq. ft.
500,001 - 600,000	\$3.486	\$3.322	\$0.2912	\$0.147					sq. ft.
600,001 - 800,000	\$3.409	\$3.249	\$0.2912	\$0.147					sq. ft.
800,001 - 1,000,000	\$3.431	\$3.269	\$0.2912	\$0.147					sq. ft.
1,000,001 - 1,200,000	\$3.474	\$3.311	\$0.2912	\$0.147					sq. ft.
1,200,001 - more	\$3.374	\$3.215	\$0.2912	\$0.147					
Services									sq. ft.
Nursery Garden	\$2.02	\$1.925	\$0.2912	\$0.147					sq. ft.
Quality Restaurant	\$11.38	\$10.845	\$0.2912	\$0.147					sq. ft.
High Turnover Restaurant	\$9.441	\$8.996	\$0.2912	\$0.147					sq. ft.
Fast Food Restaurant	\$9.081	\$8.654	\$0.2912	\$0.147					sq. ft.
Car Sales	\$5.649	\$5.384	\$0.2912	\$0.147					Pump/sq. ft.
Service Stations	\$2.103	\$2.004	\$0.2912	\$0.147					sq. ft.
Convenience Retail	\$10.602	\$10.103	\$0.2912	\$0.147					

ank (Walk-in)	\$2.02	\$1.925	\$0.2392	\$0.147
ank (Drive-in)	\$3.81	\$3.631	\$0.2392	\$0.147

sq. ft.
sq. ft.

LEGISLATIVE ANALYSIS

RESOLUTION RELATING TO RETRAINING AND/OR REEMPLOYMENT OF EMPLOYEES WHO MAY BE DISPLACED BY THE ADOPTION OF AUTOMATED GARBAGE PICKUP

Commissioner Barbara J. Jordan

I. SUMMARY

This resolution directs the County Manager to present to the Board of County Commissioners, a plan addressing the possibilities of re-training and/or reemploying, where possible, employees of the Department of Solid Waste who may be displaced by the County's use of Automated Garbage Trucks.

The automated trucks will be used for the collection of curbside household garbage receptacles (Garbage Cans). This curbside pickup occurs 2 times per week per residence.

II. PRESENT SITUATION

On June 8, 2004, the Board of County Commissioners approved the purchase of 75 "Automated Garbage Trucks" (also referred to as One-arm Bandits) for approximately \$14.5 million.

The current trucks usually require a team of three (3) persons: 1 Driver and 2 collectors.

These new automated trucks can be operated by one (1) person.

Employees of the Department of Solid Waste are concerned about the reduction in need of the two (2) additional persons per truck.

The Department's current budget called for a reduction of:

- 50 Full Time Employees*
- 15 Part Time Employees
- 54 Temporary Employees

27 of the 50 Full time reductions are salaries associated with employees who are on "Long Term Leave of Absence" status. These employees are receiving insurance benefits but No Salary.

The Department estimates, that after attrition and re-training/ re-assignments, there will be approximately 13 employees who will need to be "pipelined" to other County Departments.

Several factors, such as driving history, criminal record, and trainability, may prohibit some of the collectors from being re-assigned as drivers.

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Some of the local municipalities currently utilizing the Automated Trucks are:

- City of Miami
- City of North Miami
- City of South Miami
- City of Homestead
- City of Miami Springs
- City of Hollywood, Broward

III. POLICY CHANGE AND IMPLICATION

This resolution directs the County Manager to develop a plan on how best to deal with any displaced employees.

Because these automated trucks cannot cover as many households per day as the three (3) man trucks, the Department estimates that for every current "driver", the automated trucks will require 1.2 drivers. This increased need for drivers will help to offset some of the reductions in personnel.

Some communities that have switched to the use of Automated Trucks have realized a reduction in the amount of job related injuries and associated compensation payouts due to the lifting involved during the collection process.

IV. ECONOMIC IMPACT

Indeterminable at this point.

The fiscal impact associated with the decreased need for garbage collection employees would be offset, in the County Budget, if those same employees were re-employed by a different department within the County.

V. COMMENTS AND QUESTIONS

Attached are three articles detailing the change to automated trucks at other municipalities within Miami-Dade County.

Attachment 1

COUNTY TESTS GARBAGE COLLECTION

The Miami Herald

November 10, 2003

Author: SUSAN ANASAGASTI, sanasagasti@herald.com

The lime-green garbage cans showed up in George Henning's South Miami-Dade neighborhood as if they had dropped from the sky.

They were nifty, but no one knew why they were there.

Instructions stuffed into each can detailed the county's new garbage collection system, which use the cans and a truck called a **"one-arm bandit."** But no one knew what was going on - and calls to the county produced only more confusion.

Then, three days after they appeared, the cans disappeared.

Whoops, said the county.

"We had to remove the carts because we didn't give ample notification to homeowners," said Alvin McCrea of the Miami-Dade Solid Waste Department

"The notifications weren't sent out on time and we wanted to give neighbors the chance to become familiarized with the program," McCrea said.

Turns out Henning and his neighbors were supposed to be part of a pilot program to test out the new system.

Only no one told them.

"The county was obviously not ready to implement the program," Henning said. "Either that or we're too stupid to follow instructions."

Solid waste workers picked up the 3,600 96-gallon trash cans they had dropped off in the area near Perrine.

But the cans will be back. Only this time they will have a formal introduction. Residents should expect mail-outs from the county explaining the system in English, Spanish and Creole.

The directions are important because, with the new automated trash pickup system, the chore of taking out the trash becomes more complicated for homeowners.

Henning said he found a list of instructions to follow: Put the can out by 7 a.m.; face the wheels of the can toward the house; place the can at least five feet from parked cars,

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poles or other obstacles.

The new collection system, which is already being used in Homestead, Miami and North Miami Beach, had been tried in the Redland - but that didn't work out too well.

McCrea said the unpaved roads made smooth pickups difficult. So the trial was moved further east to a place where the streets were asphalt.

Henning also wanted to know how much it cost the county to pick up the cans it had left in his neighborhood.

McCrea said residents would not be charged for new cans, but that 10 county employees were paid overtime to retrieve the misplaced cans.

McCrea also said that once the system is in place, worn out or broken cans will be replaced by the county.

Attachment 2

TRASH PICKUP IS OVERHAULED

Miami Herald, The (FL)

December 30, 2004

Author: ALDO NAHED, anahed@herald.com

Estimated printed pages: 3

Sanitation has gone high-tech in North Miami, as the city has joined a growing number of municipalities employing automated trash haulers known as "One-Arm Bandits" to collect trash.

The first phase of a two-year transition to the new system, in which hydraulically-controlled arms pick up specially made 96-gallon containers and empty them into the hopper, was launched Dec. 20 and will be completed by the end of January. For the first phase, about half of the nearly 10,000 households served by the department received their new containers, and sanitation staffers have been educating residents on the technology with brochures and personal visits along the affected routes. Mark Collins, the city's public works director, said the new technology will make trash collection more efficient. "We're coming out of the Dark Ages and our drivers love it," he said.

The **automated garbage trucks** only use one driver, as opposed to the traditional system which used three employees - one driver and two haulers to manually dump containers into the hopper.

For the first phase, North Miami leased four automated trash haulers at \$185,000 each, and distributed about 4,600 of the specially made wheeled containers. The city will lease three more trucks and purchase 4,600 more containers for the second phase, which will be launched in December 2005.

As is often the case with new technology, the biggest challenge for sanitation officials is educating their customers.

Residents who are part of the first phase are now receiving their new wheeled containers and detailed instructions in English, Spanish and Creole. The biggest change involves placing the containers three feet off the street, with arrows on top facing the street. Tomas Rodriguez, a resident in the 800 block of Northeast 133rd Street who has received a new container, said he's happy with the new system.

"It's better," Rodriguez said Thursday morning, watching as mechanical arms lifted his trash container and deposited its contents in a hopper. "You know that everything will be picked up. The bags on the side of the street looked ugly; cats or dogs would rip them apart in the middle of the night and spread trash throughout the yard."

But resident Sink Gillenwater doesn't like having to place his trash on the curb.

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“It's terrible,” Gillenwater said. “The alley is what the trash is for.”

Collins explained that alleys where many residents put out their trash are too narrow for operation of the mechanical arms.

Last week, North Miami Sanitation Superintendent Donald Smathers took a tour of routes that are part of the first phase, and was happy to note so many new containers lining the streets. Even so, more than a few other residents had clearly not followed instructions, and left their trash out in old containers.

“Many people didn't read the literature that we sent them,” he said. “I have people who think that it's junk mail.”

Workers will still pick up refuse manually as the first phase is introduced, but by the end of January when all the containers have been distributed, residents who don't follow instructions will find their trash left untouched.

By eliminating the need for two workers that hang from the back of the truck and haul in trash, the automated system will require 12 fewer workers when fully in place, said Collins, who researched the switch to **automated garbage trucks** in North Miami Beach and Miami Springs. Even so, he stressed none of the department's 39 full-time employees will lose their jobs with the city.

“Every employee that was on the back of the trucks moved to another position within the city,” he said. “Many have even gotten a promotion.”

North Miami's solid waste division offers twice-a-week pickup and bulk trash pickup every other week. Residents pay \$483 a year per household, and will not see an increase in their bill, said Collins.

Cost savings will be slim for the first couple of years, said Smathers, but the department's savings will grow over time as worker's compensation, insurance and salary costs are reduced.

“We don't have to worry about people calling in sick or straining their backs, and the program will be paying for itself,” he said.

Attachment 3

WASTE WORKERS FEAR FOR JOBS

The Miami Herald

November 9, 2003

Author: DAVID OVALLE, dovalle@herald.com

Estimated printed pages: 5

William Clayton doesn't know the name of the old, cocoa-skinned woman in the purple dress, but she waves every morning when he pulls up to her house on Northwest 10th Avenue.

He doesn't know who owns the Labrador that growls at him from a nearby yard, or the Chihuahua next door that yelps and yelps and yelps until the rumble of the Mack garbage truck sends the dog scampering.

Clayton doesn't even live in North Miami, but he loves the city. His memory knows the maze of alleyways, the people who knot their trash bags for him twice a week, every week.

He is 62 years old, his hands leathery and gnarled, and he plans to retire in February after more than two decades as a North Miami garbage man.

Clayton could lose his job sooner.

If Mayor Joe Celestin gets his wish and the city's money-strapped solid waste division is privatized, Clayton and nearly 30 other veteran workers could lose their positions.

"It's hard work. It's tough on the body, but we get it done," Clayton said recently as he eased his garbage truck through the city's west side. "I don't think any company could come in and clean the city like we do."

The move to privatize North Miami's solid waste division has caused an uproar among some councilmen and citizens who fear a company would provide shoddy service. North Miami's city councilors will consider privatization - or raising rates - during Wednesday's council meeting.

From a business standpoint, Celestin and Councilman Jean Monestime argue, privatization makes sense. Residents pay \$32 per month per household. The Public Works Department has asked the City Council to raise rates to \$41.50 a month.

The solid waste operation has lost millions in recent years, but previous councils have refused to compensate by increasing rates. With its reserve funds depleted, the solid waste division has borrowed about \$500,000 from the general fund.

The cost of running the solid waste division rose in recent years, mostly because of employee benefits, worker compensation, insurance and salaries, which are guaranteed to increase each year because of cost-of-living raises.

City figures project that staff salaries, benefits, workers compensation and insurance for the 2004 fiscal year will cost about \$2.6 million - more than a third of the entire \$6.6 million department budget.

Attachment 3

But those high figures also mean that the division is a veteran one. Combined, all 39 solid waste employees - including supervisors who don't face losing their jobs - have 474 years of experience with the city. That is an average of almost 13 years per worker.

"If you want just cold, hard facts, there is savings in privatization," said North Miami Public Works Director Mark Collins. "But the big thing is I have a well-seasoned, well-trained group of men."

Residents have taken notice. Scores have shown up to budget hearings and council meetings to support their garbage men, who they say cost North Miami more money but make it one of the cleanest cities in Miami-Dade County.

Supporters frequently point out that the solid waste division was among the first in Miami-Dade to hit the streets after Hurricane Andrew spread mountains of debris in 1992.

North Miami's solid waste division offers twice-a-week pickup and bulk trash, recycling, code enforcement, graffiti patrol and even animal control.

In contrast, Browning Ferris Industries, in an example frequently cited by Celestin, provides service for Miami Beach single-family homes. However, BFI charges Miami Beach \$32.16 - just 16 cents more than North Miami currently does - and offers fewer services.

In Miami Beach, BFI does not provide recycling or animal control. Bulk trash gets picked up four times a year - by appointment only.

In recent years, cities such as Dania Beach, Pembroke Pines and Miramar have complained that private companies provide sloppy service. The director of the Solid Waste Association of North America, John Skinner, cautioned that politicians' rush to privatize is often what he terms a "knee-jerk reaction" to cost pressures.

Skinner warned that private companies must earn a profit; quality of service often suffers, he said. For example, Skinner said, private collectors often do not return and retrieve garbage at a house if they missed picking it up.

"You need to look at it in a broader sense and compare true services to the costs you're going to pay," Skinner said.

Celestin has said publicly that a private company such as BFI or Waste Management could hire North Miami's displaced solid waste workers and even pay off the \$500,000 owed to the general fund.

Monestime, the North Miami councilman, said at a recent council meeting that quality will have to suffer if the city wants to have sound finances. "If we cannot afford sardines, we cannot ask for caviar," he said.

The city's Public Works Department has been working feverishly to provide the council with alternatives to privatization.

Collins, the public works director, says he could start phasing in an automated "one-arm bandit" system that, in theory, would eliminate the need for two garbage men to hang from the back of the truck and haul in trash.

Attachment 3

That system would mean 10 fewer workers - but those job losses could be staggered over three years and would include retirements.

Collins, who planned to introduce the system in the coming years, anyway, said that speeding up implementation could help contain rate increases.

Predictably, the thought of privatization has not gone over well at the sprawling motor pool building just west of Biscayne Boulevard at Northeast 143rd Street, where the city houses its garbage trucks.

"My sanitation workers are very professional. They continue to do the level of service they have always done, but they're concerned about their future with the city," Collins said. "There is a lot of nervous energy, a lot of frustration."

Every morning, those nervous garbage men gather at the complex about 7 a.m. The drivers, including Clayton, check fuel levels and fasten yellow-and-red water coolers to the front of the trucks.

On a recent morning, under a cobalt morning sky, the truck purred as it moved through North Miami's streets. Clayton worked from the back of the truck for more than a decade before he earned a spot as a driver. Now, Clayton glances in the driver's side mirror and nods to Joseph Fleurius and Eugene Colas, garbed in carrot-colored jumpsuits, who hang from the back of the truck.

Clayton doesn't speak much to his crew. He doesn't have to. They rarely miss fishing garbage bags from cans. In the narrow alleys, where tree limbs slap the truck's windshield, Fleurius and Colas direct the truck via hand signals.

"It doesn't make sense," Fleurius said of privatization as the crew took a water break. "They won't keep this place clean."

Clayton smiled. He doesn't worry much about himself. He is happily married. His two sons are in their 30s. Soon, he'll retire and spend his days riding his motorcycle. But he frets that his younger co-workers won't be able to find new jobs if the solid waste division is privatized. He wouldn't mind if Celestin rode along one day.

"It would be nice for him to see what's going on out here," Clayton said. "The saddest part is that most of the guys have families and kids. If they don't have a job, what are they going to do?"

Caption:

WHAT LIES AHEAD? Eugene Colas, left, and Joseph Fleurius, solid waste workers for the city of North Miami, face an uncertain employment future: The City Council is considering privatizing solid waste services to save money.

NEARLY OUT: William Clayton, who drives garbage trucks for the city of North Miami, will retire early next year but worries about his younger colleagues' job security.

color photo: Eugene Colas and Joseph Fleurius (A), photo: William Clayton (A)

LEGISLATIVE ANALYSIS

RESOLUTION DIRECTING THE COUNTY MANAGER TO DEVELOP A PLAN FOR RECOVERY OF WATER 7 SEWER CONNECTION FEES 7 SEWER CHARGES OWED THE WATER & SEWER DEPARTMENT

Commissioner Rebecca Sosa

I. SUMMARY

This resolution directs the County Manager to develop a plan, including a timeline, in order to collect delinquent and/or unpaid fees owed to the County's Water and Sewer Department (WASD).

II. PRESENT SITUATION

On January 23, 2005, a Miami Herald article (**Attached**) revealed that WASD had failed to collect, improperly waived, and/or deferred, upwards of \$3 million in fees from prominent developers in Miami-Dade County.

The article detailed an audit conducted by Miami-Dade County's Audit Management Department of over 35 projects, in which 22 of the projects audited contained irregularities related to the collection of fees by WASD.

III. POLICY CHANGE AND IMPLICATION

This resolution directs the Manager to develop a plan to recover fees.

IV. ECONOMIC IMPACT

The recovery of fees owed to the County would have a positive fiscal impact.

However, the extent of this impact will not be known until an audit of all similar projects is conducted.

V. COMMENTS AND QUESTIONS

The issue of unpaid debts to the County by Developers and other Large Companies was discussed by the Board in recent weeks when, for budgetary reasons, the finance department requested a write-off of certain debts in order to balance their budget.

Attachment 1 – *Miami Herald* Article detailing uncollected fees.

Attachment 1

Money trouble bubbling up from the sewer

JIM DEFEDÉ
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A scandal is brewing inside Miami-Dade's Water and Sewer Department.

Millions of dollars in fees -- many from powerful developers -- have gone uncollected for years, according to the preliminary results of an audit obtained by The Herald.

Although the audit is in draft form and is still being finalized, three employees, including two supervisors, have been placed on paid administrative leave. The county's inspector general is expected to begin his own investigation as soon as the final audit report is issued in about two weeks.

"Obviously, we've got a problem," County Manager George Burgess said. "And we take it very seriously."

He said he has met with Water and Sewer Department (WASD) Director Bill Brant and Audit Director Cathy Jackson, and "together we're dealing with it."

"We are looking at ourselves critically," he said. "We have an audit department that is doing its job."

Developers are required to pay impact fees when they hook up to the county's water and sewer lines. The fees are determined by the size of the project.

UNPAID BILL

The department's failures came to light after auditors stumbled upon a single unpaid bill by developer Jose Milton in 2003. That bill -- described in the report as a "long-standing delinquency of \$150,791" -- made auditors curious about what else they could uncover and led to a yearlong review of Water and Sewer.

During that time, five developments by Milton were scrutinized and all were found to be delinquent in one way or another. The projects include The Pinnacle condominiums and the IntraCoastal Yacht Club in Sunny Isles Beach.

"Review of the five Milton projects revealed statutory assessable water connection fees totaling \$136,516 were waived on three occasions without justification, \$67,269 in sewer charges was not invoiced due to computation errors and on all projects except one, WASD granted lengthy payment deferrals," the audit states.

Phone messages left for Milton were not returned.

BROADER LOOK

While analyzing Milton's properties, auditors expanded their review, sampling a small percentage of the other projects that have moved through WASD in recent years.

Auditors selected 35 projects -- by developers other than Milton -- and discovered that in 22 of them "fees were either not collected, improperly waived or deferred."

In other words, in 63 percent of the projects surveyed, the county was not receiving the money it was owed.

INLU ITEM 3(E)

February 8, 2005

Auditors determined that on those 22 projects the county failed to collect \$3.1 million in fees.

Among those 22 projects are some of the biggest developments in Miami Beach: the Blue Diamond and Green Diamond condominium towers (\$880,740); Akoya, formerly known as White Diamond, (\$644,478); and Continuum on South Beach (\$449,806).

Another problem: WASD is lazy when it comes to going after developers and businesses who bounce checks. According to the audit, "18 checks totaling \$270,739 were returned for insufficient funds between March 7, 2001 and April 28, 2004, of which 11 amounting to \$118,386 (the largest exceeding \$50,000) have not been replaced."

The audit raises two immediate questions:

First, why were the millions in connection fees never collected? Was it old fashioned incompetence or something more nefarious? Did county employees deliberately look the other way? Was there political pressure?

Second, what is the true extent of the problem? If an audit of just 35 projects reveals the county failed to collect \$3.1 million in fees, then the real number, for the hundreds of other projects that Water and Sewer has handled in recent years, could be in the tens of millions of dollars.

Burgess said the first question is obviously something the inspector general will examine and the second may take more time to determine.

"I've got to see the final report," Burgess said.